

# **Acorn Mobility Services Limited**

Registered number: 02593771

## **Annual report and consolidated financial statements**

For the year ended 30 September 2022

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**ACORN MOBILITY SERVICES LIMITED**

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**COMPANY INFORMATION**

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| <b>Directors</b>           | J S Jakes<br>N Wilson<br>J Richardson<br>P Bethell<br>K Gledhill<br>M J Oldham (Non Executive)                       |
| <b>Registered number</b>   | 02593771   |
| <b>Registered office</b>   | Telecom House<br>Millennium Business Park<br>Station Road, Steeton<br>Bradford<br>West Yorkshire<br>BD20 6RB         |
| <b>Independent auditor</b> | Mazars LLP<br>Chartered Accountants & Statutory Auditor<br>5th Floor<br>3 Wellington Place<br>Leeds<br>LS1 4AP       |
| <b>Bankers</b>             | Lloyds Banking Group plc<br>2nd Floor<br>Lisbon House<br>116 Wellington Street<br>Leeds<br>West Yorkshire<br>LS1 4LT |
| <b>Solicitors</b>          | Squire Patton Boggs (UK) LLP<br>6 Wellington Place<br>Leeds<br>West Yorkshire<br>LS3 4AP                             |

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**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**Introduction**

The directors present their Group Strategic Report for the year ended 30 September 2022 for Acorn Mobility Services Limited and its subsidiaries ("Acorn").

**Business review**

The Group continued its principal activities throughout the current year. The principal activities continue to be the manufacturing, sale, installation and servicing of stairlifts.

As a major organisation in global stairlift manufacture, we put product quality and customer care at the forefront of our corporate values. Our stairlift products enable the elderly and those with restricted mobility to remain in their homes for longer and thereby retain the comfort of familiar surroundings. Our mission at Acorn is to develop the Acorn brand across the globe.

**Key performance indicators**

Management use a range of performance measures to monitor and manage the business. The performance measures are split into financial and non-financial key performance indicators as set out below.

|   | 2022     | 2021     |
|---|----------|----------|
| Turnover ('000)                               | £245,370 | £236,640 |
| Non UK turnover by country of destination (%) | 72.5%    | 66.8%    |
| Gross profit ('000)                           | £171,733 | £166,239 |
| Gross profit margin (%)                       | 70.0%    | 70.2%    |
| Operating profit ('000)                       | £57,722  | £57,745  |
| Operating profit margin (%)                   | 23.5%    | 24.4%    |
| Cash inflow from operating activities ('000)  | £30,885  | £44,776  |
| Employees                                     | 1,301    | 1,310    |

**Development and financial performance during the year**

The 2022 financial year has been a successful year. As reported in the Consolidated Statement of Comprehensive Income, Group revenue has increased by 3.7% from £236.6m to £245.4m. Gross profit margin is 70.0% compared to 70.2% in the prior year. Operating profit and operating profit margins have remained broadly the same versus prior year. Strong profits were achieved, due to a continued implementation of Group strategy and increased turnover within the Group.

**Financial position at the reporting date**

Total net assets have increased from £19.0m to £43.4m. Dividends have decreased from £50.8m to £29.3m.

Net cash movements from operating activities are £30.9m versus £44.8m in the prior year. This reflects the global increase in stock levels to mitigate the impact of supply chain risks.

Following a detailed review of operating efficiencies within the business the Group average headcount in the prior year, the headcount has remained consistent at 1,310 in the prior year to 1,301 in the current year.

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**GROUP STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**Future developments**

The Board will continue to target ambitious sales growth, setting stretching budgets for existing operating units. The Group continues to reinvest in the business and pursue improvements in market share and in entering new geographic markets. This growth will be carefully managed so as to maintain gross margins and operating profit. Regional comparison and benchmarking will continue so as to promote best practice.

**Research and development**

The Group continues to invest in research and development working together with key suppliers to continuously improve and develop the comfort, safety and functionality of its products. During the year £33,000 (2021: £130,382) was spent directly on research and development projects and on securing and supporting licences, patents and intellectual property.

**Principal risks and uncertainties**

The Board of Directors connect regularly and review the principal risks facing the business liaising with the operating entities each of which have carefully chosen management with specific industry knowledge.

The principal risks and uncertainties facing the Group are as follows:

**Market risk**

The key market risks relate to economic slowdown, competitive market pricing and macroeconomic factors such as inflation and the cost of living crisis. To protect against these risks the Group operates in as wide a geographic coverage around the world as is possible so ensuring that this diversification of markets insulates from specific economic conditions in any particular market. Given Group also has significant cash of £12.5m, net assets of £43.4m and no bank debt as at 30 September 2022, the Group and Company are well placed to manage any ongoing risks associate with macroeconomic uncertainty, inflation and the cost of living crisis.

Our people are passionate about customer care and product quality. Procedures are in place to keep product costs contained to maintain optimal efficiency in each market and to ensure the business' ability to remain competitive at all times. Return of investment over marketing spend is closely monitored across all business operations to ensure value for money.

**Operational risk**

As the global business enjoys growth, the key operational challenge is to ensure that our supply chains are able to cope and that the Group maintains compliance with local market requirements. Strong and integrated inventory management systems and regular forecasting shared with key suppliers ensures that the entire supply chain from factory through to install are aware of and able to respond to the growth requirements. Specific resource is committed to establishing and auditing legal, financial and operational compliance in all markets and that products have appropriate certifications and licences. Key product certifications secured are ISO 9386 2:200 (Worldwide), BS EN 81 40 (European), ISO 9386 2:2000 (British), ASME A18.1:2017 & A17.5:2014 (N America).

**Foreign exchange risk**

The Group generates non sterling surpluses and manages, where it can, its foreign currency exposure primarily by negotiating currency matches with its key supply partners that have USD and Euro outflows.

**Financial risk**

Financial risks are managed through strict internal management controls, accurate and timely management information and KPI reporting.

**GROUP STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**Cybersecurity risk**

The Group have significantly invested in additional IT security measures and enhanced monitoring systems to reduce any potential impacts of Cybersecurity risks creating a robust IT environment. The Group's operations are reliant upon IT system functionality and successful operation which could be disrupted in the event of any Cybersecurity incident which are becoming more prevalent in today's society.

**Directors' Statement of Compliance with duty to promote the success of the Group**

The Directors consider that for the year ended 30 September 2022 they have acted in good faith, in order to promote the success of the Group, both in the short term and long term, for the benefit of all the Group's stakeholders, by giving specific regard to a range of matters set out in Section 172(1) as listed below:

- a) The likely consequences of any decision in the long term;
- b) The interests of the Group's employees
- c) The need to foster the Group's business relationships with suppliers, customers and others;
- d) The impact of the Group's operations on the community and the environment;
- e) The desirability of the Group maintaining a reputation for high standards of business conduct; and
- f) The need to act fairly as between stakeholders of the Group.

The directors make decisions by taking their legal duty into account and also the priorities and requirements of the stakeholders.

- (a) The likely consequences of any decision in the long term

The directors take a multi perspective view with regards to the consequences of their decision making and business strategies, whilst also retaining a high level of regard for the company values, culture and our wider community.

The Group prioritises investments in its products, employees and company facilities. Consistent strong and sustainable results also translates into dividends.

- (b) The interests of the Group's employees;

The Group's mission is to invest in its people and ensure the highest standards of training and development for all employees. We recognise high performance through reward and recognition.

- (c) The need to foster the Group's business relationships with suppliers, customers and others;

We put customer care and product quality at the forefront of our corporate values. We strive to achieve the highest standards of customer care and service through being able to offer next day installation, ongoing aftercare and priority attention 365 days a year.

Our suppliers are fundamental to the quality of our product. We ensure that our preferred suppliers support our business goals and objectives for growth. Prompt supplier payment practices are followed.

- (d) The impact of the Group's operations on the community and the environment;

We are proud to be part of the local and wider communities. We support various local charity run hospices and demonstrate our commitment through charity fund raising events and donation of stairlifts to those in palliative care.

**GROUP STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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We work closely with local colleges to provide apprenticeships and internships which lead to routes into employment.

(e) The desirability of the Group maintaining a reputation for high standards of business conduct;

Our mission is to be the best stairlift provider in the world. In order to achieve this our values include

Integrity: acting responsibly and honestly to deliver on our promises and Ambition: taking pride in all we do and striving to improve.

All new employees receive induction training promoting our Group values. All employees have access to our Procedures and Codes of Conduct and understand the requirement to comply with the Group's high standards of business conduct at all times.

(f) The need to act fairly as between stakeholders of the Group;

Our values include Unity: working together as one team. We actively promote collaboration between company departments and global subsidiaries.

This report was approved by the board and signed on its behalf.

**J Richardson**  
Director

Date: 21 June 2023

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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The directors present their report and the financial statements for the year ended 30 September 2022.

**Directors' responsibilities statement**

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Results and dividends**

The profit for the year, after taxation, amounted to £50,134,636 (2021 - £47,881,364).

Dividends declared in the year totalled £29,321,744 (2021 - £50,815,878).

**Directors**

The directors who served during the year were:

J S Jakes  
N Wilson  
J Richardson  
P Bethell  
K Gledhill  
M J Oldham (Non Executive)

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**Going concern**

The Group's and the Company's forecasts and projections, taking into account reasonable possible changes in trading performance, show that the Group and the Company should trade profitably in future years. In particular, the Group and the Company has a significant level of financial resources, and no bank debt or other financial liability with any restrictive or financial covenant. Given the nature of the business there is no significant credit risk exposure to any single counterparty.

As a consequence, the Directors believe that the Group and the Company are well placed in its sector to manage its business risks successfully, to have the expectation that the Group and the Company has adequate resources to continue trading successfully, and to fully comply with its regulatory requirements for the foreseeable future. Consequently, the Directors continue to adopt the going concern basis in preparing these consolidated financial statements.

Given the Group had significant cash of £12.5m, unencumbered fixed assets of £22.7m, net assets of £43.4m and no bank debt as at 30 September 2022, which broadly remains the same today, the directors consider the Group and Company are well placed to manage any significant risks.

**Employee involvement**

Acorn Mobility Services Limited is an Investor in People, successfully retaining this important accreditation at the 3 year review in February 2022 and regularly communicates with its employees about how the business is performing via various methods. Two way communication is encouraged through one to one meetings, team meetings and through the Performance Development process. The business has a web based extranet company briefing system that is accessible to all staff around the world.

**Disabled employees**

Acorn Mobility Services Limited is an Equal Opportunities Employer and is committed to treating job applicants and employees equally, irrespective of colour, creed, race, nationality or ethnic origin, sex, marital status, disability or age.

**Qualifying third party indemnity provisions**

The Group had Directors' and Officers' insurance in place throughout the period.

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**Energy and Carbon Reporting**

The Company is required to report the emissions and energy consumption for the year ended 30 September 2022.

| Utility and Scope                   | 2021/22 UK Consumption (kWh) | 2020/21 UK Consumption (kWh) |
|-------------------------------------|------------------------------|------------------------------|
| Grid-Supplied Electricity (Scope 2) | 851,936                      | 844,665                      |
| Gaseous and other fuels (Scope 1)   | 3,552,624                    | 3,515,709                    |
| Transportation (Scope 1)            | 6,397,556                    | 6,744,638                    |
| <b>Total</b>                        | <b>10,802,116</b>            | <b>11,105,011</b>            |

| Utility and Scope                   | 2021/22 UK Consumption (tCO <sub>2</sub> e) | 2020/21 UK Consumption (tCO <sub>2</sub> e) |
|-------------------------------------|---|---|
| Grid-Supplied Electricity (Scope 2) | 164.7                                       | 179.3                                       |
| Gaseous and other fuels (Scope 1)   | 648.5                                       | 643.9                                       |
| Transportation (Scope 1)            | 1,541.6                                     | 1,597.2                                     |
| <b>Total</b>                        | <b>2,354.9</b>                              | <b>2,420.5</b>                              |

| Intensity Metric         | 2021/22 UK Intensity Metric | 2020/21 UK Intensity Metric |
|--------------------------|-----------------------------|-----------------------------|
| tCO <sub>2</sub> e / £m  | 9.7                         | 10.3                        |
| tCO <sub>2</sub> e / FTE | 2.8                         | 1.9                         |

Scope 1 direct emissions (combustion of natural gas and transportation fuels) decreased 3% and Scope 2 indirect emissions resulting from the consumption of electricity purchased and consumed in day to day business operations increased 1% year on year.

Energy efficiency actions taken by the Company during the year include the installation of additional EV charging points, the installation of LED lighting within all head office buildings and the replacement of the heating and cooling system in one head office building in order to achieve better efficiency. The Company also continued working with Leeds Council trialling an electric van and also introduced a self-charging system fitted to all trailers which enable tail lift and lights to be used without the need for trucks to be idling.

**Matters covered in the Group Strategic Report**

In accordance with s.414C(11) of Companies Act 2006 and as permitted by paragraph 1A of schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulation 2008, certain matters which are required to be disclosed in the Directors Report have been omitted as they are included within the Strategic Report on Page 1 to 5. These matters relate to Risks and Future Developments.

**Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

**Post balance sheet events**

After the year end dividends totalling £18,426,419 were paid.

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**Auditor**

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 21 June 2023 and signed on its behalf.

**J Richardson**

Director

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACORN MOBILITY SERVICES LIMITED**

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**Opinion**

We have audited the consolidated financial statements of Acorn Mobility Services Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 30 September 2022 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statement of Financial Position, the Consolidated and Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the consolidated financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and Parent Company's affairs as at 30 September 2022 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACORN MOBILITY SERVICES LIMITED**

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**Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In light of the knowledge and understanding of the Group and Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Directors**

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACORN MOBILITY SERVICES LIMITED**

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**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the group and the parent company and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety and data protection.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the group and the parent company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group and the parent company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such tax legislation and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to warranty provisions, revenue recognition (which we pinpointed to the cut-off assertion, specifically the deferral of Extended Service Agreement (ESA) and Annual Service Agreement (ASA)), and significant one-off or unusual transactions.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACORN MOBILITY SERVICES LIMITED**

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Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of the audit report**

This report is made solely to the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Shaun Mullins (Senior Statutory Auditor) for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

5th Floor

3 Wellington Place  
Leeds  
LS1 4AP

22 June 2023

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

|   | <b>Note</b> | <b>2022<br/>£</b>  | <b>2021<br/>£</b>  |
|---|-------------|--------------------|--------------------|
| Turnover  | <b>4</b>    | 245,369,902        | 236,639,753        |
| Cost of sales   |             | (73,636,971)       | (70,400,787)       |
| <b>Gross profit</b>   |             | <b>171,732,931</b> | <b>166,238,966</b> |
| Distribution costs  |             | (27,605,104)       | (25,379,349)       |
| Administrative expenses                                       |             | (86,406,185)       | (83,106,642)       |
| Other operating income  | <b>5</b>    | -                  | 1,904              |
| <b>Operating profit</b>                                       | <b>6</b>    | <b>57,721,642</b>  | <b>57,754,879</b>  |
| Interest receivable and similar income                        | <b>10</b>   | 1,843              | 172                |
| Interest payable and expenses                                 | <b>11</b>   | (891,246)          | (5,431)            |
| <b>Profit before tax</b>                                      |             | <b>56,832,239</b>  | <b>57,749,620</b>  |
| Tax on profit   | <b>12</b>   | (6,697,603)        | (9,868,256)        |
| <b>Profit for the financial year</b>                          |             | <b>50,134,636</b>  | <b>47,881,364</b>  |
| <b>Other comprehensive income:</b>                            |             |                    |                    |
| <b>Items that will not be reclassified to profit or loss:</b> |             |                    |                    |
| Foreign exchange movement                                     |             | 3,585,483          | (630,607)          |
| <b>Total comprehensive income for the year</b>                |             | <b>53,720,119</b>  | <b>47,250,757</b>  |

The notes on pages 21 to 45 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2022

|   | Note | 2022<br>£                | 2021<br>£                |
|---|------|--------------------------|--------------------------|
| <b>Fixed assets</b>                                     |      |                          |                          |
| Intangible assets                                       | 14   | 4,044,778                | 4,550,375                |
| Tangible assets   | 15   | 18,608,469               | 17,221,856               |
|   |      | <u>22,653,247</u>        | <u>21,772,231</u>        |
| <b>Current assets</b>                                   |      |                          |                          |
| Stocks  | 17   | 40,862,023               | 26,387,605               |
| Debtors: amounts falling due within one year            | 18   | 22,573,242               | 10,804,088               |
| Cash at bank and in hand                                | 19   | 12,471,526               | 11,192,067               |
|   |      | <u>75,906,791</u>        | <u>48,383,760</u>        |
| Creditors: amounts falling due within one year          | 20   | (43,999,929)             | (39,723,142)             |
| <b>Net current assets</b>                               |      | <u>31,906,862</u>        | <u>8,660,618</u>         |
| <b>Total assets less current liabilities</b>            |      | <u>54,560,109</u>        | <u>30,432,849</u>        |
| Creditors: amounts falling due after more than one year | 21   | (8,787,252)              | (9,439,404)              |
| <b>Provisions for liabilities</b>                       |      |                          |                          |
| Deferred tax  | 22   | (1,049,495)              | (782,660)                |
| Other provisions  | 23   | (1,281,366)              | (1,167,164)              |
|   |      | <u>(2,330,861)</u>       | <u>(1,949,824)</u>       |
| <b>Net assets</b>                                       |      | <u><u>43,441,996</u></u> | <u><u>19,043,621</u></u> |
| <b>Capital and reserves</b>                             |      |                          |                          |
| Called up share capital                                 | 24   | 10,002                   | 10,002                   |
| Foreign exchange reserve                                | 25   | 3,873,621                | 288,138                  |
| Profit and loss account                                 | 25   | 39,558,373               | 18,745,481               |
|   |      | <u><u>43,441,996</u></u> | <u><u>19,043,621</u></u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 June 2023.

**J Richardson**  
Director

The notes on pages 21 to 45 form part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2022

|   | Note | 2022<br>£          | 2021<br>£         |
|---|------|--------------------|-------------------|
| <b>Fixed assets</b>                                     |      |                    |                   |
| Tangible assets   | 15   | 11,089,081         | 10,991,761        |
| Investments   | 16   | 16,901,080         | 16,901,080        |
|   |      | <u>27,990,161</u>  | <u>27,892,841</u> |
| <b>Current assets</b>                                   |      |                    |                   |
| Stocks  | 17   | 5,565,178          | 5,132,147         |
| Debtors: amounts falling due within one year            | 18   | 27,355,645         | 13,218,254        |
| Cash at bank and in hand                                | 19   | 5,619,740          | 3,761,808         |
|   |      | <u>38,540,563</u>  | <u>22,112,209</u> |
| Creditors: amounts falling due within one year          | 20   | (18,533,355)       | (22,624,664)      |
| <b>Net current assets/(liabilities)</b>                 |      | <u>20,007,208</u>  | <u>(512,455)</u>  |
| <b>Total assets less current liabilities</b>            |      | <u>47,997,369</u>  | <u>27,380,386</u> |
| Creditors: amounts falling due after more than one year | 21   | (7,558,409)        | (9,223,154)       |
| <b>Provisions for liabilities</b>                       |      |                    |                   |
| Deferred taxation                                       | 22   | (652,227)          | (493,725)         |
| Other provisions  | 23   | (390,736)          | (446,625)         |
|   |      | <u>(1,042,963)</u> | <u>(940,350)</u>  |
| <b>Net assets</b>                                       |      | <u>39,395,997</u>  | <u>17,216,882</u> |
| <b>Capital and reserves</b>                             |      |                    |                   |
| Called up share capital                                 | 24   | 10,002             | 10,002            |
| Profit and loss account carried forward                 | 25   | 39,385,995         | 17,206,880        |
|   |      | <u>39,395,997</u>  | <u>17,216,882</u> |

**COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 30 SEPTEMBER 2022**

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The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of Comprehensive Income in these financial statements. The profit after tax of the Parent Company for the year was £51,500,939 (2021: £44,904,134).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 June 2023.

**J Richardson**  
Director

The notes on pages 21 to 45 form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

|  | Called up<br>share capital | Foreign<br>exchange<br>reserve | Profit and loss<br>account | Total equity |
|--|----------------------------|--------------------------------|----------------------------|--------------|
|  | £                          | £                              | £                          | £            |
| <b>At 1 October 2020</b>                       | 10,002                     | 918,745                        | 21,679,995                 | 22,608,742   |
| <b>Comprehensive income for the year</b>       |                            |                                |                            |              |
| Profit for the year                            | -                          | -                              | 47,881,364                 | 47,881,364   |
| Movement on foreign exchange reserve           | -                          | (630,607)                      | -                          | (630,607)    |
| <b>Other comprehensive income for the year</b> | -                          | (630,607)                      | -                          | (630,607)    |
| <b>Distributions to owners</b>                 | -                          | (630,607)                      | 47,881,364                 | 47,250,757   |
| Dividends: Equity capital                      | -                          | -                              | (50,815,878)               | (50,815,878) |
| <b>Total transactions with owners</b>          | -                          | -                              | (50,815,878)               | (50,815,878) |
| <b>At 1 October 2021</b>                       | 10,002                     | 288,138                        | 18,745,481                 | 19,043,621   |
| <b>Comprehensive income for the year</b>       |                            |                                |                            |              |
| Profit for the year                            | -                          | -                              | 50,134,636                 | 50,134,636   |
| Movement on foreign exchange reserve           | -                          | 3,585,483                      | -                          | 3,585,483    |
| <b>Other comprehensive income for the year</b> | -                          | 3,585,483                      | -                          | 3,585,483    |
| <b>Distributions to owners</b>                 |                            |                                |                            |              |
| Dividends: Equity capital                      | -                          | -                              | (29,321,744)               | (29,321,744) |
| <b>Total transactions with owners</b>          | -                          | -                              | (29,321,744)               | (29,321,744) |
| <b>At 30 September 2022</b>                    | 10,002                     | 3,873,621                      | 39,558,373                 | 43,441,996   |

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

|  | <b>Called up<br/>share capital</b> | <b>Profit and loss<br/>account</b> | <b>Total equity</b> |
|--|------------------------------------|------------------------------------|---------------------|
|  | <b>£</b>                           | <b>£</b>                           | <b>£</b>            |
| <b>At 1 October 2020</b>                 | 10,002                             | 23,118,623                         | 23,128,625          |
| <b>Comprehensive income for the year</b> |                                    |                                    |                     |
| Profit for the year                      | -                                  | 44,904,135                         | 44,904,135          |
| <b>Distributions to owners</b>           |                                    |                                    |                     |
| Dividends: Equity capital                | -                                  | (50,815,878)                       | (50,815,878)        |
| <b>Total transactions with owners</b>    | -                                  | (50,815,878)                       | (50,815,878)        |
| <b>At 1 October 2021</b>                 | 10,002                             | 17,206,880                         | 17,216,882          |
| <b>Comprehensive income for the year</b> |                                    |                                    |                     |
| Profit for the year                      | -                                  | 51,500,859                         | 51,500,859          |
| <b>Distributions to owners</b>           | -                                  | 51,500,859                         | 51,500,859          |
| <b>Distributions to owners</b>           |                                    |                                    |                     |
| Dividends: Equity capital                | -                                  | (29,321,744)                       | (29,321,744)        |
| <b>Total transactions with owners</b>    | -                                  | (29,321,744)                       | (29,321,744)        |
| <b>At 30 September 2022</b>              | 10,002                             | 39,385,995                         | 39,395,997          |

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

|   | 2022<br>£          | 2021<br>£          |
|---|--------------------|--------------------|
| <b>Cash flows from operating activities</b>         |                    |                    |
| Profit for the financial year                       | 50,134,636         | 47,881,364         |
| <b>Adjustments for:</b>                             |                    |                    |
| Amortisation of intangible assets                   | 505,597            | 505,597            |
| Depreciation of tangible assets                     | 2,606,956          | 2,519,815          |
| Loss on disposal of tangible assets                 | (87,714)           | 30,716             |
| Sundry income received                              | -                  | (1,904)            |
| Interest paid                                       | 891,246            | 5,431              |
| Interest received                                   | (1,843)            | (172)              |
| Taxation charge                                     | 6,697,603          | 9,868,256          |
| Increase in stocks                                  | (14,474,417)       | (5,747,498)        |
| Increase in debtors                                 | (11,048,321)       | (1,545,966)        |
| Increase in creditors                               | 8,146,082          | 2,339,979          |
| (Decrease)/increase in amounts owed to associates   | (3,988,354)        | 1,951,585          |
| Increase/(decrease) in provisions                   | 114,202            | (358,221)          |
| Corporation tax (paid)                              | (7,684,694)        | (12,939,633)       |
| Foreign exchange                                    | (925,544)          | 266,707            |
| <b>Net cash generated from operating activities</b> | <b>30,885,435</b>  | <b>44,776,056</b>  |
| <b>Cash flows from investing activities</b>         |                    |                    |
| Purchase of tangible fixed assets                   | (3,141,042)        | (2,293,044)        |
| Sale of tangible fixed assets                       | 136,360            | 305,057            |
| Sundry income received                              | -                  | 1,904              |
| Interest received                                   | 1,843              | 172                |
| <b>Net cash from investing activities</b>           | <b>(3,002,839)</b> | <b>(1,985,911)</b> |
| <b>Cash flows from financing activities</b>         |                    |                    |

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**CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2022**


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|   | 2022<br>£                | 2021<br>£                |
|---|--------------------------|--------------------------|
| Dividends paid  | (29,321,744)             | (50,815,878)             |
| Interest paid   | (891,246)                | (5,431)                  |
| <b>Net cash used in financing activities</b>                  | <u>(30,212,990)</u>      | <u>(50,821,309)</u>      |
| <b>Net decrease in cash and cash equivalents</b>              | (2,330,394)              | (8,031,164)              |
| Cash and cash equivalents at beginning of year                | 11,192,067               | 19,853,838               |
| Foreign exchange gains and losses                             | 3,609,853                | (630,607)                |
| <b>Cash and cash equivalents at the end of year</b>           | <u><u>12,471,526</u></u> | <u><u>11,192,067</u></u> |
| <b>Cash and cash equivalents at the end of year comprise:</b> |                          |                          |
| Cash at bank and in hand                                      | 12,471,526               | 11,192,067               |
|   | <u><u>12,471,526</u></u> | <u><u>11,192,067</u></u> |

The notes on pages 21 to 45 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**1. General information**

Acorn Mobility Services Limited ('the Company') is a private company limited by shares incorporated in England and Wales.

The address of its registered office is: Telecom House, Millennium Business Park, Steeton, Bradford, West Yorkshire, BD20 6RB.

The principal activities continue to be the manufacturing, sale, installation and servicing of stairlifts.

**2. Accounting policies**

**2.1 Basis of preparation of consolidated financial statements**

The consolidated financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of consolidated financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

**2.2 Basis of consolidation**

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

**2.3 Financial reporting standard 102 - reduced disclosure exemptions**

The parent company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements herein.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**2. Accounting policies (continued)**

**2.4 Going concern**

The Group's and the Company's forecasts and projections, taking into account reasonable possible changes in trading performance, show that the Group and the Company should trade profitably in future years. In particular, the Group has a significant level of financial resources, and no bank debt or other financial liability with any restrictive or financial covenant. Given the nature of the business there is no significant credit risk exposure to any single counterparty.

As a consequence, the Directors believe that the Group and the Company are well placed in its sector to manage its business risks successfully, to have the expectation that the Group and the Company has adequate resources to continue trading successfully, and to fully comply with its regulatory requirements for the foreseeable future. Consequently, the Directors continue to adopt the going concern basis in preparing these consolidated financial statements.

Given the Group had significant cash of £12.5m, unencumbered fixed assets of £22.7m, net assets of £43.4m and no bank debt as at 30 September 2022, which broadly remains the same today, the directors consider the Group and Company are well placed to manage any significant risks.

**2.5 Foreign currency translation**

**Functional and presentation currency**

The Group and Company financial statements are presented in pound sterling. The Company's functional currency is pound sterling, however the group has overseas subsidiaries which have functional currencies other than pound sterling.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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**2. Accounting policies (continued)**

**2.6 Revenue**

The principal activities of the Group and the Company are manufacturing, sale, installation and servicing of Stairlifts. Revenue in respect of stairlift sales is recognised on installation. Customer deposits received in advance of the installation date are deferred to the balance sheet until the installation is complete.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group and the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Group and the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group and the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Rendering of services**

Service agreements are available to suit customers' needs. Where a service agreement spans more than one accounting period, revenue is deferred on a time apportioned basis. If the Group and Company has completed its service obligations within the period the full revenue in respect of the service agreement is recognised.

**2.7 Operating leases: the Group as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**2. Accounting policies (continued)**

**2.8 Research and development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

**2.9 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

Government grants received are recognised as Sundry Income within Other Operating Income within the Statement of Comprehensive Income.

**2.10 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.11 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.12 Pensions**

**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**2. Accounting policies (continued)**

**2.13 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**2.14 Intangible assets**

**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

**Other intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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**2. Accounting policies (continued)**

**2.15 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

|                        |                                     |
|------------------------|-------------------------------------|
| Freehold property      | - 2% straight line                  |
| Leasehold improvements | - 10% or over the term of the lease |
| Plant & machinery      | - 10% to 33% straight line          |
| Motor vehicles         | - 25% straight line                 |
| Other fixed assets     | - 4% - 11% straight line            |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**2.16 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.17 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.18 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.19 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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**2. Accounting policies (continued)**

**2.20 Creditors**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.21 Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the reporting date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the reporting date.

**2.22 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

A warranty cost provision is accrued using historic data to show the average parts and labour costs incurred per warranty sold. The total warranty cost provision is calculated as the average warranty costs incurred per warranty sold multiplied by the number of unexpired warranties at the year-end.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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2. Accounting policies (continued)

2.23 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.24 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2022**


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**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

The critical judgements that the directors have made in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

**Assessing impairment indicators**

In assessing whether there have been any indicators of impairment assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability and where applicable, the ability of the asset to be operated as planned.

No impairment indicators noted in the year.

**Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

**(i) Warranty cost provision**

Management calculate a provision for the expected cost of attending to claims on unexpired warranties. The provision incorporates key judgements including the average percentage of customers who make warranty claims and the average cost of parts and labour used to rectify the issue.

**4. Turnover**

An analysis of turnover by class of business is as follows:

|                       | 2022<br>£          | 2021<br>£          |
|-----------------------|--------------------|--------------------|
| Sale of goods         | 207,760,506        | 201,603,667        |
| Rendering of services | 37,609,396         | 35,036,086         |
|                       | <u>245,369,902</u> | <u>236,639,753</u> |

Analysis of turnover by country of destination:

|                   | 2022<br>£          | 2021<br>£          |
|-------------------|--------------------|--------------------|
| United Kingdom    | 79,350,285         | 78,668,449         |
| Rest of Europe    | 34,984,746         | 33,603,750         |
| Rest of the World | 131,034,871        | 124,367,554        |
|                   | <u>245,369,902</u> | <u>236,639,753</u> |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**5. Other operating income**

|                   | <b>2022</b> | <b>2021</b>  |
|-------------------|-------------|--------------|
|                   | <b>£</b>    | <b>£</b>     |
| Government grants | <u>-</u>    | <u>1,904</u> |

**6. Operating profit**

The operating profit is stated after charging/(crediting):

|                                       | <b>2022</b>      | <b>2021</b>      |
|---------------------------------------|------------------|------------------|
|                                       | <b>£</b>         | <b>£</b>         |
| Depreciation of tangible fixed assets | 2,606,956        | 2,519,815        |
| Amortisation of intangible assets     | 505,597          | 505,597          |
| Exchange differences                  | (509,265)        | 555,897          |
| Defined contribution pension cost     | 1,711,223        | 1,477,796        |
| Operating lease expenses              | <u>3,773,960</u> | <u>3,146,605</u> |

**7. Auditor's remuneration**

During the year, the Group obtained the following services from the Company's auditor and its associates:

|  | <b>2022</b>   | <b>2021</b>   |
|--|---------------|---------------|
|  | <b>£</b>      | <b>£</b>      |
| Fees payable to the Company's auditor and its associates for the audit of the consolidated and parent Company's financial statements | 176,358       | 160,183       |
| Fees payable to the Company's auditor and its associates in respect of:  |               |               |
| Other services   | <u>39,472</u> | <u>43,283</u> |

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**


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**8. Employees**

Staff costs, including directors' remuneration, were as follows:

|                                     | <b>Group<br/>2022<br/>£</b> | <b>Group<br/>2021<br/>£</b> | <b>Company<br/>2022<br/>£</b> | <b>Company<br/>2021<br/>£</b> |
|-------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Wages and salaries                  | 55,464,673                  | 51,752,070                  | 15,035,204                    | 14,963,729                    |
| Social security costs               | 4,541,221                   | 4,163,265                   | 1,518,238                     | 1,429,930                     |
| Cost of defined contribution scheme | 1,711,223                   | 1,477,796                   | 623,518                       | 594,404                       |
|                                     | <u>61,717,117</u>           | <u>57,393,131</u>           | <u>17,176,960</u>             | <u>16,988,063</u>             |

The average monthly number of employees, including the directors, during the year was as follows:

|  | <b>2022<br/>No.</b> | <b>2021<br/>No.</b> |
|--|---------------------|---------------------|
| Office, administration, sales and installation | 1,091               | 1,118               |
| Production                                     | 210                 | 192                 |
|  | <u>1,301</u>        | <u>1,310</u>        |

**9. Directors' emoluments**

|   | <b>2022<br/>£</b> | <b>2021<br/>£</b> |
|---|-------------------|-------------------|
| Directors' emoluments   | 699,246           | 636,050           |
| Company contributions to defined contribution pension schemes   | 135,745           | 98,769            |
| Amounts paid to third parties in respect of management services | 38,040            | 38,040            |
|   | <u>873,031</u>    | <u>772,859</u>    |

During the year retirement benefits were accruing to 3 directors (2021 - 3) in respect of defined contribution pension schemes.

The highest paid director received emoluments of £196,742 (2021 - £172,800).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £6,005 (2021 - £4,907).

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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## 10. Interest receivable

|                           | 2022<br>£    | 2021<br>£  |
|---------------------------|--------------|------------|
| Bank interest received    | 258          | -          |
| Other interest receivable | 1,585        | 172        |
|                           | <u>1,843</u> | <u>172</u> |

## 11. Interest payable and similar expenses

|  | 2022<br>£      | 2021<br>£    |
|--|----------------|--------------|
| Bank interest payable                    | 2,572          | 5,431        |
| Discounted finance costs for tax credits | 888,674        | -            |
|  | <u>891,246</u> | <u>5,431</u> |

## 12. Taxation

|  | 2022<br>£        | 2021<br>£        |
|--|------------------|------------------|
| <b>Corporation tax</b>                           |                  |                  |
| Current tax on profits for the year              | 1,045,705        | 5,432,648        |
| Adjustments in respect of previous periods       | 2,144,609        | -                |
|  | <u>3,190,314</u> | <u>5,432,648</u> |
| <b>Foreign tax</b>                               |                  |                  |
| Foreign tax on income for the year               | 3,249,398        | 4,280,191        |
| <b>Total current tax</b>                         | <u>6,439,712</u> | <u>9,712,839</u> |
| <b>Deferred tax</b>                              |                  |                  |
| Origination and reversal of timing differences   | 257,891          | 155,417          |
| <b>Total deferred tax</b>                        | <u>257,891</u>   | <u>155,417</u>   |
| <b>Taxation on profit on ordinary activities</b> | <u>6,697,603</u> | <u>9,868,256</u> |

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2022**


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**12. Taxation (continued)****Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

|  | 2022<br>£               | 2021<br>£               |
|--|-------------------------|-------------------------|
| Profit on ordinary activities before tax   | <u>56,832,239</u>       | <u>57,749,620</u>       |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%) | 10,798,125              | 10,972,428              |
| <b>Effects of:</b>   |                         |                         |
| Expenses not deductible for tax purposes   | -                       | 41,819                  |
| Adjustments to tax charge in respect of prior periods  | (2,144,609)             | -                       |
| Research and Development and patent box tax credits leading to a decrease in the tax charge                | (2,462,076)             | (1,209,000)             |
| Differences in corporation tax rate of subsidiaries during the period                                      | 1,039,409               | 980,251                 |
| Other adjustments  | (533,246)               | (917,242)               |
| <b>Total tax charge for the year</b>   | <u><u>6,697,603</u></u> | <u><u>9,868,256</u></u> |

**Factors that may affect future tax charges**

The Group has estimated tax losses of £1,947,753 (2021: £2,259,650) to carry forward against future profits in specific subsidiary companies.

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50,000 or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50,000 and £250,000, the higher 25% rate will apply but with a marginal relief applying as profits increase.

**13. Dividends**

|                                  | 2022<br>£                | 2021<br>£                |
|----------------------------------|--------------------------|--------------------------|
| Dividends paid on equity capital | 29,321,744               | 50,815,878               |
|                                  | <u><u>29,321,744</u></u> | <u><u>50,815,878</u></u> |

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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## 14. Intangible assets

## Group

|                                     | Data<br>£ | Software<br>£ | Goodwill<br>£ | Total<br>£ |
|-------------------------------------|-----------|---------------|---------------|------------|
| <b>Cost</b>                         |           |               |               |            |
| At 1 October 2021                   | 452,876   | 17,020        | 10,768,580    | 11,238,476 |
| At 30 September 2022                | 452,876   | 17,020        | 10,768,580    | 11,238,476 |
| <b>Amortisation</b>                 |           |               |               |            |
| At 1 October 2021                   | 452,876   | 17,020        | 6,218,205     | 6,688,101  |
| Charge for the year on owned assets | -         | -             | 505,597       | 505,597    |
| At 30 September 2022                | 452,876   | 17,020        | 6,723,802     | 7,193,698  |
| <b>Net book value</b>               |           |               |               |            |
| At 30 September 2022                | -         | -             | 4,044,778     | 4,044,778  |
| At 30 September 2021                | -         | -             | 4,550,375     | 4,550,375  |

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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## 14. Intangible assets (continued)

## Company

|                       | Data<br>£ | Software<br>£ | Goodwill<br>£ | Total<br>£ |
|-----------------------|-----------|---------------|---------------|------------|
| <b>Cost</b>           |           |               |               |            |
| At 1 October 2021     | 452,876   | 17,020        | 602,788       | 1,072,684  |
| At 30 September 2022  | 452,876   | 17,020        | 602,788       | 1,072,684  |
| <b>Amortisation</b>   |           |               |               |            |
| At 1 October 2021     | 452,876   | 17,020        | 602,788       | 1,072,684  |
| At 30 September 2022  | 452,876   | 17,020        | 602,788       | 1,072,684  |
| <b>Net book value</b> |           |               |               |            |
| At 30 September 2022  | -         | -             | -             | -          |
| At 30 September 2021  | -         | -             | -             | -          |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**
**15. Tangible fixed assets****Group**

|                                     | Land and<br>buildings<br>£ | Plant &<br>machinery<br>£ | Motor vehicles<br>£ | Other fixed<br>assets<br>£ | Total<br>£        |
|-------------------------------------|----------------------------|---------------------------|---------------------|----------------------------|-------------------|
| <b>Cost</b>                         |                            |                           |                     |                            |                   |
| At 1 October 2021                   | 11,601,864                 | 9,973,723                 | 8,295,008           | 8,939,974                  | 38,810,569        |
| Additions                           | 19,332                     | 1,458,120                 | 1,663,590           | -                          | 3,141,042         |
| Disposals                           | (139,003)                  | (94,401)                  | (877,300)           | -                          | (1,110,704)       |
| Exchange adjustments                | 587,696                    | 597,180                   | 673,541             | -                          | 1,858,417         |
| At 30 September 2022                | 12,069,889                 | 11,934,022                | 9,754,839           | 8,939,974                  | 42,699,324        |
| <b>Depreciation</b>                 |                            |                           |                     |                            |                   |
| At 1 October 2021                   | 2,945,310                  | 8,539,577                 | 5,749,107           | 4,354,719                  | 21,588,713        |
| Charge for the year on owned assets | 294,391                    | 789,997                   | 1,166,184           | 356,384                    | 2,606,956         |
| Disposals                           | -                          | (82,440)                  | (979,618)           | -                          | (1,062,058)       |
| Exchange adjustments                | 166,447                    | 484,345                   | 306,452             | -                          | 957,244           |
| At 30 September 2022                | 3,406,148                  | 9,731,479                 | 6,242,125           | 4,711,103                  | 24,090,855        |
| <b>Net book value</b>               |                            |                           |                     |                            |                   |
| At 30 September 2022                | 8,663,741                  | 2,203,143                 | 3,512,714           | 4,228,871                  | 18,608,469        |
| <b>At 30 September 2021</b>         | <b>8,656,554</b>           | <b>1,434,146</b>          | <b>2,545,901</b>    | <b>4,585,255</b>           | <b>17,221,856</b> |

The net book value of land and buildings may be further analysed as follows:

|                | 2022<br>£        | 2021<br>£        |
|----------------|------------------|------------------|
| Freehold       | 8,154,649        | 8,090,589        |
| Long leasehold | 509,092          | 565,965          |
|                | <u>8,663,741</u> | <u>8,656,554</u> |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**
**15. Tangible fixed assets (continued)**
**Company**

|  | Land and<br>buildings | Plant &<br>machinery | Motor vehicles | Other fixed<br>assets | Total      |
|--|-----------------------|----------------------|----------------|-----------------------|------------|
|  | £                     | £                    | £              | £                     | £          |
| <b>Cost</b>                            |                       |                      |                |                       |            |
| At 1 October 2021                      | 6,314,701             | 6,500,640            | 2,886,430      | 8,939,974             | 24,641,745 |
| Additions                              | -                     | 1,028,396            | 375,894        | -                     | 1,404,290  |
| Disposals                              | -                     | (93,766)             | (499,805)      | -                     | (593,571)  |
| At 30 September 2022                   | 6,314,701             | 7,435,270            | 2,762,519      | 8,939,974             | 25,452,464 |
| <b>Depreciation</b>                    |                       |                      |                |                       |            |
| At 1 October 2021                      | 1,312,019             | 5,903,892            | 2,079,354      | 4,354,719             | 13,649,984 |
| Charge for the year on owned<br>assets | 112,538               | 391,846              | 434,241        | 356,384               | 1,295,009  |
| Disposals                              | -                     | (81,805)             | (499,805)      | -                     | (581,610)  |
| At 30 September 2022                   | 1,424,557             | 6,213,933            | 2,013,790      | 4,711,103             | 14,363,383 |
| <b>Net book value</b>                  |                       |                      |                |                       |            |
| At 30 September 2022                   | 4,890,144             | 1,221,337            | 748,729        | 4,228,871             | 11,089,081 |
| <b>At 30 September 2021</b>            | 5,002,682             | 596,748              | 807,076        | 4,585,255             | 10,991,761 |

The net book value of land and buildings may be further analysed as follows:

|          | 2022<br>£        | 2021<br>£        |
|----------|------------------|------------------|
| Freehold | 4,890,144        | 5,002,682        |
|          | <u>4,890,144</u> | <u>5,002,682</u> |

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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16. Fixed asset investments

Company

|                             | Investments in<br>subsidiary<br>companies<br>£ |
|-----------------------------|--|
| <b>Cost</b>                 |  |
| At 1 October 2021           | 16,923,965                                     |
| At 30 September 2022        | <u>16,923,965</u>                              |
| <b>Impairment</b>           |  |
| At 1 October 2021           | 22,885   |
| At 30 September 2022        | <u>22,885</u>                                  |
| <b>Net book value</b>       |  |
| At 30 September 2022        | <u><u>16,901,080</u></u>                       |
| <b>At 30 September 2021</b> | <u><u>16,901,080</u></u>                       |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**
**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

| Name                              | Registered office  | Class of shares | Holding |
|-----------------------------------|--|-----------------|---------|
| Acorn Stairlifts (Pty) Limited *  | Unit F, 6 Narabang Way, Belrose, NSW 2085, Australia                                   | Ordinary        | 100 %   |
| Acorn BVBA                        | Nijverheidslaan 1, 1853 Strombeek-Bever, Belgium                                       | Ordinary        | 100 %   |
| Acorn Stairlifts (Canada) Inc     | Unit 101, 5555 N Service Rd, Burlington, ON L7L 6W6, Canada                            | Ordinary        | 100 %   |
| Acorn Stairlifts Inc              | 7001 Lake Ellenor Dr, Orlando, FL 32809, USA   | Ordinary        | 100 %   |
| Acorn Treppenlift GmbH            | Schwanenhöfe, Erkrather Straße 234b, 40233 Düsseldorf                                  | Ordinary        | 100 %   |
| Acorn Montascale SRL              | Via Mario Guintini, 192, 56021 Comune di Cascina (PI), Italy                           | Ordinary        | 100 %   |
| Acorn Monte-Escalier SAS          | 27 Boulevard Saint Martin, 75003, Paris, France  | Ordinary        | 100 %   |
| Brooks Stairlifts Limited         | Telecom House, Millennium Business Park, Station Road, Steeton, Bradford, BD20 6RB, UK | Ordinary        | 100 %   |
| Alexander Pollock Limited         | Hospital Road, Haddington, East Lothian, EH41 3PD, UK                                  | Ordinary        | 100 %   |
| Acorn Stairlifts (Pty) Limited ** | Unit 15 Prema Park, No. 12 Engine Road, Montague Gardens, Cape Town 7441, South Africa | Ordinary        | 100 %   |
| Acorn Stairlifts Limited          | 33 Sir John Rogerson's Quay, Dublin 2, Ireland   | Ordinary        | 100 %   |
| Acorn Monte-Escalier SNC ***      | 30 Avenue General Leclerc, Batiment Le Saxo, 38200 Vienne                              | Ordinary        | 100 %   |

\* Acorn Stairlifts (Pty) Limited: subsidiary incorporated in Australia.

\*\* Acorn Stairlifts (Pty) Limited: subsidiary incorporated in South Africa.

\*\*\* Acorn Monte-Escalier SNC is an indirect subsidiary of Acorn Mobility Services Limited.

The principal activity of all above subsidiaries is the sale, installation and servicing of stairlifts, other than Alexander Pollock Limited whose principal activity is Metal Engraving. Acorn Mobility Services Limited also has a number of dormant subsidiaries.

The following companies were exempt from the requirements relating to the audit of individual financial statements by virtue of section 479A of the Companies Act 2006:

Brooks Stairlifts Limited

Alexander Pollock Limited

**17. Stocks**

|                                     | Group<br>2022<br>£ | Group<br>2021<br>£ | Company<br>2022<br>£ | Company<br>2021<br>£ |
|-------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Raw materials and consumables       | 716,637            | 648,975            | 703,021              | 628,634              |
| Finished goods and goods for resale | 40,145,386         | 25,738,630         | 4,862,157            | 4,503,513            |
|                                     | <u>40,862,023</u>  | <u>26,387,605</u>  | <u>5,565,178</u>     | <u>5,132,147</u>     |

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**


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**18. Debtors**

|                                     | <b>Group<br/>2022<br/>£</b> | <b>Group<br/>2021<br/>£</b> | <b>Company<br/>2022<br/>£</b> | <b>Company<br/>2021<br/>£</b> |
|-------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Trade debtors                       | 6,087,476                   | 3,907,432                   | 1,149,095                     | 1,013,162                     |
| Amounts owed by group undertakings  | -                           | -                           | 18,183,675                    | 9,904,684                     |
| Amounts owed by connected companies | 711,969                     | -                           | 711,969                       | -                             |
| Other debtors                       | 9,049,836                   | 4,330,950                   | 3,055,281                     | 1,694,859                     |
| Prepayments and accrued income      | 5,947,945                   | 1,798,634                   | 4,255,625                     | 605,549                       |
| Deferred taxation                   | 776,016                     | 767,072                     | -                             | -                             |
|                                     | <u>22,573,242</u>           | <u>10,804,088</u>           | <u>27,355,645</u>             | <u>13,218,254</u>             |

**19. Cash and cash equivalents**

|                          | <b>Group<br/>2022<br/>£</b> | <b>Group<br/>2021<br/>£</b> | <b>Company<br/>2022<br/>£</b> | <b>Company<br/>2021<br/>£</b> |
|--------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Cash at bank and in hand | 12,471,526                  | 11,192,067                  | 5,619,740                     | 3,761,808                     |
|                          | <u>12,471,526</u>           | <u>11,192,067</u>           | <u>5,619,740</u>              | <u>3,761,808</u>              |

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**


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**20. Creditors: Amounts falling due within one year**

|                                     | <b>Group<br/>2022<br/>£</b> | <b>Group<br/>2021<br/>£</b> | <b>Company<br/>2022<br/>£</b> | <b>Company<br/>2021<br/>£</b> |
|-------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Payments received on account        | 2,162,036                   | 2,404,439                   | 740,353                       | 790,705                       |
| Trade creditors                     | 7,257,554                   | 5,032,305                   | 3,611,777                     | 2,955,527                     |
| Amounts owed to group undertakings  | -                           | -                           | 1,375,121                     | 2,435,906                     |
| Amounts owed to connected companies | -                           | 3,276,385                   | -                             | 3,241,151                     |
| Corporation tax                     | 281,704                     | 1,526,766                   | -                             | 608,248                       |
| Other taxation and social security  | 1,196,541                   | 776,164                     | 447,764                       | 403,019                       |
| Other creditors                     | 3,323,827                   | 1,929,315                   | 677,204                       | 623,451                       |
| Accruals and deferred income        | 29,778,267                  | 24,777,768                  | 11,681,136                    | 11,566,657                    |
|                                     | <u>43,999,929</u>           | <u>39,723,142</u>           | <u>18,533,355</u>             | <u>22,624,664</u>             |

The Company has granted a debenture in the form of a fixed and floating charge on the assets to secure any liabilities arising to its bankers.

The Company has granted an import guarantee to HM Revenue & Customs to the value of £Nil (2021 - £400,000).

**21. Creditors: Amounts falling due after more than one year**

|                                    | <b>Group<br/>2022<br/>£</b> | <b>Group<br/>2021<br/>£</b> | <b>Company<br/>2022<br/>£</b> | <b>Company<br/>2021<br/>£</b> |
|------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Amounts owed to group undertakings | -                           | -                           | 737                           | 1,315,307                     |
| Accruals and deferred income       | 8,787,252                   | 9,439,404                   | 7,557,672                     | 7,907,847                     |
|                                    | <u>8,787,252</u>            | <u>9,439,404</u>            | <u>7,558,409</u>              | <u>9,223,154</u>              |

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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## 22. Deferred taxation

## Group

|                           | 2022<br>£        | 2021<br>£       |
|---------------------------|------------------|-----------------|
| At beginning of year      | (15,588)         | 139,829         |
| Charged to profit or loss | (257,891)        | (155,417)       |
| <b>At end of year</b>     | <b>(273,479)</b> | <b>(15,588)</b> |

## Company

|                               | 2022<br>£        | 2021<br>£        |
|-------------------------------|------------------|------------------|
| At beginning of year          | (493,725)        | (467,019)        |
| Charged to the profit or loss | (158,502)        | (26,706)         |
| <b>At end of year</b>         | <b>(652,227)</b> | <b>(493,725)</b> |

|                                | Group<br>2022<br>£ | Group<br>2021<br>£ | Company<br>2022<br>£ | Company<br>2021<br>£ |
|--------------------------------|--------------------|--------------------|----------------------|----------------------|
| Accelerated capital allowances | (1,049,495)        | (782,192)          | (652,227)            | (493,725)            |
| Tax losses carried forward     | 163,649            | 422,964            | -                    | -                    |
| Other timing difference        | 612,367            | 343,640            | -                    | -                    |
|                                | <u>(273,479)</u>   | <u>(15,588)</u>    | <u>(652,227)</u>     | <u>(493,725)</u>     |
| <b>Comprising:</b>             |                    |                    |                      |                      |
| Asset                          | 776,016            | 767,072            | -                    | -                    |
| Liability                      | (1,049,495)        | (782,660)          | (652,227)            | (493,725)            |
|                                | <u>(273,479)</u>   | <u>(15,588)</u>    | <u>(652,227)</u>     | <u>(493,725)</u>     |

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**


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**23. Provisions****Group**

|                             | <b>Warranty<br/>provision<br/>£</b> |
|-----------------------------|-------------------------------------|
| At 1 October 2021           | 1,167,164                           |
| Charged to profit or loss   | 114,202                             |
| <b>At 30 September 2022</b> | <b><u>1,281,366</u></b>             |

**Company**

|                             | <b>Warranty<br/>provision<br/>£</b> | <b>Total<br/>£</b>    |
|-----------------------------|-------------------------------------|-----------------------|
| At 1 October 2021           | 446,625                             | 446,625               |
| Released to profit or loss  | (55,889)                            | (55,889)              |
| <b>At 30 September 2022</b> | <b><u>390,736</u></b>               | <b><u>390,736</u></b> |

**24. Share capital**

|  | <b>2022<br/>£</b> | <b>2021<br/>£</b> |
|--|-------------------|-------------------|
| <b>Allotted, called up and fully paid</b>            |                   |                   |
| 10,002 (2021 - 10,002) Ordinary shares of £1.00 each | <u>10,002</u>     | <u>10,002</u>     |

The Company has one class of Ordinary shares which carry voting rights but no right to fixed income.

**25. Reserves****Foreign exchange reserve**

The foreign exchange reserve represents the cumulative movement in foreign currencies of the subsidiary undertakings, when translating into the Group's reporting currency for consolidation.

**Profit & loss account**

The profit and loss account represents the accumulated profits and losses of the Group or Company less dividends paid.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**
**26. Capital commitments**

At 30 September 2022 the Company had capital commitments as follows:

|   | Group<br>2022<br>£ | Group<br>2021<br>£ |
|---|--------------------|--------------------|
| Contracted for but not provided in these financial statements | (3,088,510)        | -                  |
|   | <u>(3,088,510)</u> | <u>-</u>           |

**27. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £1,712,823 (2021: £1,477,796). Contributions totalling £98,116 (2021: £99,401) were payable to the fund at the reporting date and are included in creditors.

**28. Commitments under operating leases**

At 30 September 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

|  | Group<br>2022<br>£ | Group<br>2021<br>£ | Company<br>2022<br>£ | Company<br>2021<br>£ |
|--|--------------------|--------------------|----------------------|----------------------|
| Not later than 1 year                        | 2,747,507          | 2,729,316          | 70,000               | 52,000               |
| Later than 1 year and not later than 5 years | 2,305,881          | 3,129,658          | 40,833               | -                    |
| Later than 5 years                           | 17,988             | 95,229             | -                    | -                    |
|  | <u>5,071,376</u>   | <u>5,954,203</u>   | <u>110,833</u>       | <u>52,000</u>        |

**29. Related party transactions**

The Company has taken advantage of the exemption conferred by FRS 102 Section 33 not to disclose transactions with members of the group 100% owned by Acorn Mobility Services Limited.

During the year the Group entered into transactions with entities under common control. The Group sold goods and services with a value of £Nil (2021: £1,186) and purchased goods and services of £63,312,092 (2021: £68,844,519) to entities under common control. Amounts owed to such companies at the year end was £364,342 (2021: £3,650,244).

Dividends totalling £29,321,744 (2021: £50,815,878) were declared in the year. At the year end an amount totalling £5,314 was owed to the ultimate controlling party (2021: £17,845).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**30. Post balance sheet events**

After the year end dividends totalling £18,426,419 were paid.

**31. Controlling party**

The ultimate controlling party is J S Jakes, a director and 100% shareholder of the Company.

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